

## SECTIONAL ANALYSIS AND EXPLANATION

### TITLE I--FINANCING

Section 101 amends section 111 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, to add three definitions concerning the funding of the System:

"Fund balance" is defined as the par value of securities in which retirement money is invested plus the uninvested cash remaining in the Retirement Fund.

"Unfunded Liability" is defined as the estimated amount needed to finance all benefits payable from the Fund less the money now in the Fund and to be placed in the Fund in the future.

"Normal cost" is defined as the level percentage of payroll required to meet the cost of benefits payable under the System, less the expenses attributable to service performed under another retirement system.

The preceding definitions are necessary for implementing subsequent provisions of the bill; definitions comparable to the first two were adopted by the Civil Service Retirement System under section 101(3) of Public Law 91-93; the normal cost definition is similar to that proposed for the Foreign Service system.

Section 102 amends section 261 of the Act to add three new paragraphs concerning the funding of the System:

New paragraph (b) authorizes appropriations to the Fund in equal annual installments over a 30-year period to finance any newly created unfunded liability incurred by the enactment of future legislation, or the exercise of authority based on statute, including benefit improvements for active employees, extension of coverage to new groups of employees, general salary increases, and any new statutory annuity increases (other than automatic cost-of-living adjustments). Interest would be required to be included in these amortized payments at the rate used in the then most recent valuation of the system.

New paragraph (c) provides authority for annual appropriations, for that portion of the normal cost of the System which is not being currently defrayed by contributions.

New paragraph (d) provides authority for annual appropriations, for interest on the unfunded liability computed for that year at the interest rate used in the then most recent valuation of the System, and for that portion of disbursement for annuities for that year which the Director estimates is attributable to credit allowed for military service. Payments under this paragraph would commence with fiscal year 1977, at 70 percent of the prescribed amount. An additional 10 percent would be paid in each subsequent year until, in 1980 and in each subsequent year, 100 percent of the prescribed amount would be paid.

Provisions identical to new paragraphs (b) and (d) except for a change in the effective date and a change in the appropriation authority in paragraph (d), were enacted for the Civil Service by sections 103(a)(2) and 103(b) of Public Law 91-93 and for the Foreign Service by sections 104(a) and 104(b) of Public Law 91-201. A provision similar to new paragraph (c) has been proposed for the Foreign Service system except for a change in the appropriation authority.

Section 201 removes dependency requirements from the definition of the term "widower" and thereby conforms the Act to the requirement of Public Law 92-187 concerning equality of benefits for married women Federal employees. As a result, widowers of female participants or retirees will be accorded the same benefits as widows of deceased male participants or retirees. Section 201 also changes the definition of child to include an adopted child who is under a petition for adoption at the time of the participant's death and makes such child eligible for survivorship benefits if the surviving spouse proceeds with the adoption. Section 201 further changes the definition of "widow" and "widower" to reduce from two years to one year the marriage requirement to be entitled to a survivor annuity and thereby conform the Act to Public Law 93-260.

Section 202 amends the Act as follows:

First, it amends the current provision for annuity for surviving spouse to whom the retiree was married at the time of retirement by authorizing payment of that annuity to a subsequent spouse. The spouse acquired after retirement must qualify as a widow or widower as those terms are defined in section 204 of the Act as amended by section 201 of the bill.

Second, it authorizes a survivor annuity for a widow or widower of a retiree who was unmarried at the time of retirement, subject to the election of a reduced annuity for this purpose by the retiree pursuant to section 203 of the bill.

Third, it requires the surviving spouse, widow, or widower to elect between the benefits afforded under section 202 of the bill and any other entitlements to survivor benefits from a retirement system for Government employees.

Fourth, it provides for the commencement and termination date for the survivor annuities provided under section 202 of the bill.

Fifth, it provides that a participant must at the time of retirement elect in writing not to provide any surviving spouse benefits as provided in section 221(b). This adopts a provision in Section 8339(j), Title 5, of the Civil Service retirement system.

Finally, it provides that annuities reduced to provide for a surviving spouse shall for each full month during which an annuitant is not married, be recomputed and paid as if the annuity had not been reduced. Upon remarriage, the annuity would be reduced by the same percentage as in effect at the time of retirement. All annuities are covered except no increase in annuity may be made for any period prior to November 1, 1974. This conforms the Act to Public Law 93-474, which became effective October 26, 1974.

Section 203 provides a retiree who is unmarried at the time of retirement with an irrevocable election to select a reduced annuity and provide, under section 202 of the bill, survivorship protection for a spouse acquired after retirement. The election must be received within one year after the marriage and voids any election made at the time of retirement for a survivor annuity for an individual with an insurable interest as authorized under current law (section 221 of the Act). The retiree's annuity is paid at the reduced rate starting with the first day of the month following receipt of the election.

Section 204 imposes a minimum retirement annuity based upon the Social Security minimum primary insurance amount and conforms the Act to the requirements of Public Law 93-273, which increased certain annuities and was signed into law April 26, 1974. The annuitant's monthly benefit would not be increased to such minimum if the individual receives any other periodic payment from the United States Government of a similar nature, including, but not limited to, social security, annuity, other civilian or military retired pay, pension, or veterans compensation, and the monthly rate of such periodic payment equals or exceeds the smallest primary insurance amount which may be in effect from time to time.

Sections 205, 206, and 207 amend section 231 of the Act to allow persons who are separated or retired on a nondisability retirement to later apply under specified requirements for a disability retirement if a disabling condition existed at the time of separation or retirement. The changes also grant termination authority to the Director in those instances where there has been restoration of earning capacity; allow voluntary or involuntary retirement for such restored retirees; and assure that periods of voluntary or involuntary retirement do not count for service credit. These amendments adopt existing authorities in Section 8337, Title 5, of the Civil Service retirement system.

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Section 208 changes the "Death in Service" provisions of the Act (section 232) to remove the dependency requirements currently attached to the payment of a survivor annuity to a widower of a female participant who dies in service. The changes are compatible with the changes made in the definition of the term "widower" under section 201 of the bill.

Section 209 amends Section 241 of the Act with regard to filing designation of beneficiary for the payment of contributions and interest in excess of benefits received to survivors of participants under the Act. The amendment states clearly that the order of preference set out in that section shall prevail over any extraneous document designating a beneficiary unless the designation has been received by the Director. This conforms the Act to a similar provision in the Civil Service Retirement system under Public Law 89-373 approved March 23, 1966. The provision was sought by the Civil Service Commission to make clear that the statutory order of precedence prevails and avoid the problems of conflicting case law and resultant serious delays in paying insurance claims to survivors. Adoption of the provision by the Central Intelligence Agency Retirement Act will avoid these same problems.

Section 210 updates the citation in Section 251 of the Act. Section 210 also provides retirement service credit for periods of separation from Federal Government employment covered by employees' compensation for work injuries under 5 U.S.C. 8101 et seq.

Section 211 amends Section 252 of the Act to credit service in the Regular or Reserve Corps of the Public Health Service after June 30, 1960, or as a commissioned officer in the Coast and Geodetic Survey after June 30, 1961. This conforms the Act to Public Law 86-415, approved April 8, 1960, which credits, as military service under the Civil Service Retirement Act, certain prior service in the Regular or Reserve Corps of the Public Health Service after June 30, 1960, and conforms the Act to Public Law 87-233, approved September 14, 1961, which similarly credits under the Civil Service system service as a commissioned officer in the Coast and Geodetic Survey (now functionally within the National Oceanic and Atmospheric Administration).

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Section 212 adds a new section to "PART G--MONEYS" to grant the Director the authority to waive recovery of payments from a recipient made under the Act if in the judgment of the Director the individual is without fault and recovery would be against equity and good conscience. This section also allows the Director to withhold or recover moneys mentioned under the Act from a former employee of the Agency where there is a finding and certification by the Director that the former employee exercised fraud. This section conforms the Act to a similar provision in the Civil Service retirement system (section 8346 of Title 5, U.S.C., Public Law 89-554), which became effective September 6, 1966. The necessity for this provision was highlighted as the result of the recent overpayment in cost-of-living increases for all Government retirement systems based on a miscalculation of the data utilized. This section would be made effective sufficiently retroactive to allow the Director to waive the overpayment to annuitants under the Agency's retirement system as was done by the Civil Service Commission in December 1974 for Civil Service retirees.

Section 213 adds a new "PART K--CONFORMITY WITH CIVIL SERVICE RETIREMENT SYSTEM" to the Act to authorize administrative changes in Central Intelligence Agency retirement provisions to maintain existing conformity between the Civil Service and Central Intelligence Agency retirement systems. Under this amendment, whenever a law enacted after January 1, 1975 amends a provision of the Civil Service retirement system or otherwise changes retirement benefits for employees or annuitants under that system which prior thereto had been substantially identical to a corresponding provision of law governing benefits payable under the Central Intelligence Agency retirement system, the President, if he determines it appropriate to maintain the previous conformity between the two systems could issue an order to apply the new Civil Service provision or benefit to the Central Intelligence Agency. This could be done retroactively in the interest of equity where necessary.

In addition to the applicability of this proposal to amendments of Civil Service retirement provisions that were substantially identical to corresponding Central Intelligence Agency retirement provisions immediately prior to enactment of the Civil Service amendment, it is intended that the proposal apply to amendments of Civil Service provisions enacted after January 1, 1975 but before enactment of this bill which were substantially identical either to corresponding Central Intelligence Agency retirement provisions when this bill is introduced or to Central Intelligence Agency retirement provisions as proposed in this bill.

Authority would not be available under the proposal to change a Central Intelligence Agency retirement provision that had not been substantially identical to the Civil Service provision prior to the latter's amendment. For example, if the present regular Civil Service multiplication factor, which is less than 2% for the first ten years of service, were increased, a corresponding increase could not be extended to the Central Intelligence Agency retirement system under this authority because the Central Intelligence Agency retirement system multiplication factor is 2% for all years of service. Neither could a change affecting only a special group, such as the change in the law-enforcement employee multiplication factor made by P.L. 93-350, be extended to the Central Intelligence Agency retirement system under this authority because this proposal would be applicable only to amendments of Civil Service retirement provisions applicable generally.

Section 213 is based upon a similar proposal in S. 1943, which amends the Foreign Service Retirement Act and was submitted to the 94th Congress. This establishes authority to adopt by administrative action applicable changes in the Civil Service system and shortens the existing time lag resulting from normal Executive and Legislative processing to adopt separately for the Agency retirement system each applicable change in the Civil Service system. The proposal does not in any way abridge the right of Congress to enact future laws changing the Central Intelligence Agency retirement system provisions or benefits.

Section 214 increases annuities that occurred prior to October 20, 1969, and further conforms the Act to the requirements of Public Law 93-273, which authorized payment effective August 1, 1974. Retirees under the Act (and Civil Service retirees) prior to October 20, 1969, did not receive the liberalization in retirement computation made under Public Law 91-185, effective December 30, 1969. Under Public Law 91-185 the computation of annuities was changed from a high -5 years average salary to a high -3 years average salary and unused sick leave was counted as service for annuity computation purposes.

Section 215 provides effective dates in phase with those established for the Civil Service Retirement System in connection with identical changes. These dates assure that the treatment afforded retirees and their survivors under the CIA Retirement Act will not be different than that afforded retirees and their survivors under the Civil Service Retirement System. Section 215 provides that all of the provisions in the bill become operative effective October 1, 1976.

AMENDMENTS TO H. R. 13615

On page 3, line 25 immediately after the word "year," add the following:

"beginning with fiscal year 1977"

On page 4, line 1 immediately after the word "for" strike the word "that" and insert the word "each"

On page 4, line 3 immediately after the word "There" strike the word "are" and insert the word "is"

On page 4, line 3 immediately after the word "appropriated" add the following:

"to the fund each fiscal year"

On page 4, line 11 strike the following:

"60 per centum for 1976;"

On page 11, line 2 immediately before the word "was" insert the word "annuity"



94TH CONGRESS  
2D SESSION

# H. R. 13615

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1976

Mr. HÉBERT introduced the following bill; which was referred to the Committee on Armed Services

## A BILL

To amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, as amended, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

### 3 TITLE I—RETIREMENT FINANCING

4 SEC. 101. Section 111 of the Central Intelligence  
5 Agency Retirement Act of 1964 for Certain Employees, as  
6 amended (78 Stat. 1043; 50 U.S.C. 403 note), is amended—

7 (a) by striking out “and” at the end of paragraph  
8 (2);

9 (b) by striking out the period at the end of para-  
10 graph (3) and inserting a semicolon in lieu thereof; and

1 (c) by adding the following new paragraphs (4),  
2 (5), and (6) :

3 “(4) ‘Fund balance’ means the sum of—

4 “(a) the investments of the fund calculated at  
5 par value; and

6 “(b) the cash balance of the fund on the books  
7 of the Treasury;

8 “(5) ‘Unfunded liability’ means the estimated ex-  
9 cess of the present value of all benefits payable from the  
10 fund to participants and former participants, subject to  
11 this Act, and to their survivors, over the sum of—

12 “(a) the present value of deductions to be  
13 withheld from the future basic salary of participants  
14 currently subject to this Act and of future Agency  
15 contributions to be made in their behalf; plus

16 “(b) the present value of Government pay-  
17 ments to the fund under section 261 (b) and (c) of  
18 this Act; plus

19 “(c) the fund balance as of the date the un-  
20 funded liability is determined; and

21 “(6) ‘Normal cost’ means the level percentage of  
22 payroll required to be deposited in the fund to meet the  
23 cost of benefits payable under the system (computed in  
24 accordance with generally accepted actuarial practice on  
25 an entry-age basis) less the value of retirement benefits

1       earned under another retirement system for Government  
2       employees and less the cost of credit allowed for military  
3       service.”.

4       SEC. 102. Section 261 of the Central Intelligence  
5       Agency Retirement Act of 1964 for Certain Employees, as  
6       amended (78 Stat. 1043; 50 U.S.C. 403 note), is amended  
7       by inserting “(a)” after “261.” and by adding the follow-  
8       ing new paragraphs (b), (c), and (d) :

9       “(b) Any statute which authorizes—

10       “(1) new or liberalized benefits payable from the  
11       fund, including annuity increases other than under  
12       section 291 of this Act;

13       “(2) extension of the coverage of this Act to new  
14       groups of employees; or

15       “(3) increases in salary on which benefits are  
16       computed is deemed to authorize appropriations to the  
17       fund to finance the unfunded liability created by that  
18       statute in thirty equal annual installments with interest  
19       computed at the rate used in the then most recent valua-  
20       tion of the System and with the first payment thereof  
21       due as of the end of the fiscal year in which each new  
22       or liberalized benefit, extension of coverage, or increase  
23       in salary is effective.

24       “(c) There is hereby authorized to be appropriated to

1 to meet the amount of normal cost for that year which is not  
2 met by contributions under section 211 (a).

3 “(d) There are hereby authorized to be appropriated  
4 such sums as may be necessary to provide the amount  
5 equivalent to (1) interest on the unfunded liability com-  
6 puted for that year at the interest rate used in the then most  
7 recent valuation of the System, and (2) that portion of  
8 disbursement for annuities for that year which the Director  
9 estimates is attributable to credit allowed for military serv-  
10 ice, not to exceed the following percentages of such amounts:  
11 60 per centum for 1976; 70 per centum for 1977; 80 per  
12 centum for 1978; 90 per centum for 1979; and 100 per  
13 centum for 1980 and for each fiscal year thereafter.”.

#### 14 TITLE II—RETIREMENT ACT AMENDMENTS

15 SEC. 201. Section 204 of the Central Intelligence  
16 Agency Retirement Act of 1964 for Certain Employees,  
17 as amended (78 Stat. 1043; 50 U.S.C. 403 note), is  
18 amended—

19 (a) by striking “dependent” in subsection (a) ;

20 (b) by striking “Dependent widower” and insert-  
21 ing “Widower” in lieu thereof in subsection (b) (2) ;

22 (c) by inserting a period before the first comma  
23 and striking the remainder of the sentence in subsection

24 (b) (2) ;

25 (d) by inserting before the comma in subsection

1 (b) (3) (i) the words: "or a child who lived with and  
2 for whom a petition for adoption was filed by a partici-  
3 pant and who is adopted by the surviving spouse after  
4 the participant's death."; and

5 (c) by striking out "two years" wherever it ap-  
6 pears and inserting in lieu thereof "one year".

7 SEC. 202. Section 221 (b) of the Central Intelligence  
8 Agency Retirement Act of 1964 for Certain Employees, as  
9 amended (78 Stat. 1043; 50 U.S.C. 403 note), is amended  
10 to read as follows:

11 "(b) (1) If a participant dies after having retired and  
12 is survived by a spouse to whom he or she was married at  
13 the time of retirement, or by a widow or widower whom  
14 he or she married after retirement, the spouse, widow, or  
15 widower is entitled to an annuity equal to 55 per centum  
16 of the amount of the participant's annuity computed as pre-  
17 scribed in paragraph (a) of this section, up to the full  
18 amount of such annuity specified by the participant as the  
19 base for such survivor benefits at the time of retirement.  
20 The annuity of the participant shall be reduced by  $2\frac{1}{2}$  per  
21 centum of any amount up to \$3,600 specified by the par-  
22 ticipant as the base for such survivor benefit plus 10 per  
23 centum of any amount over \$3,600 so specified. If at the  
24 time of retirement the participant does not desire any sur-

1   viving spouse to receive an annuity under this paragraph he  
2   shall so state in writing to the Director.

3    “(2) If an annuitant dies after having elected a re-  
4   duced annuity provided in paragraph (2) of section 221  
5   (f) the surviving widow or widower is entitled to an annu-  
6   ity computed as prescribed in paragraph (1) of this sub-  
7   section.

8    “(3) A spouse acquired after retirement is entitled to a  
9   survivor annuity under this subsection only upon electing  
10  this annuity instead of any other survivor benefit to which he  
11  or she may be entitled under this or another retirement sys-  
12  tem for Government employees. The annuity of the spouse,  
13  widow, or widower under this subsection commences on the  
14  day after the annuitant dies. This annuity and the right there-  
15  to terminate on the last day of the month before the spouse,  
16  widow, or widower—

17           “(A) dies; or

18           “(B) remarries before becoming sixty years of age.

19    “(4) An annuity which is reduced under this subsection  
20  shall, for each full month during which an annuitant is not  
21  married, be recomputed and paid as if the annuity had not  
22  been so reduced. Upon remarriage of the annuitant, the an-  
23  nuity shall be reduced by the same percentage reductions  
24  which were in effect at the time of retirement.”

25       SEC. 203. Section 221 (f) of the Central Intelligence

1 Agency Retirement Act of 1964 for Certain Employees, as  
2 as amended (78 Stat. 1043; 50 U.S.C. 403 note), is  
3 amended—

4 (a) by inserting “(1)” immediately after “(f)”;

5 and

6 (b) by adding at the end thereof the following  
7 new paragraph (2) :

8 “(2) A participant, who is unmarried at the time of re-  
9 tiring and who later marries, may irrevocably elect, in a  
10 signed writing received in the Agency within one year  
11 after the marriage, a reduced annuity as provided in section  
12 221 (b). The reduced annuity is effective the first day of  
13 the month after the election is received. The election voids  
14 prospectively any election previously made under the pro-  
15 visions of paragraph (1) of this subsection.”.

16 SEC. 204. Section 221 of the Central Intelligence  
17 Agency Retirement Act of 1964 for Certain Employees,  
18 as amended (78 Stat. 1043; 50 U.S.C. 403 note), is  
19 amended by adding at the end thereof the following  
20 new subsection:

21 “(1) (1) Notwithstanding any other provision of this  
22 section, the monthly rate of annuity payable under sub-  
23 section (a) of this section, shall not be less than the smallest  
24 primary insurance amount, including any cost-of-living in-

1 crease added to that amount, authorized to be paid from  
2 time to time under title II of the Social Security Act.

3 “(2) Notwithstanding any other provision of this sec-  
4 tion, other than this subsection, the monthly rate of annuity  
5 payable under subsection (a) of this section to a surviving  
6 child shall not be less than the smallest primary insurance  
7 amount, including any cost-of-living increase added to that  
8 amount, authorized to be paid from time to time under title II  
9 of the Social Security Act, or three times such primary in-  
10 surance amount divided by the number of surviving children  
11 entitled to an annuity, whichever is the lesser.

12 “(3) The provisions of this subsection shall not apply  
13 to an annuitant or to a survivor who is or becomes entitled  
14 to receive from the United States an annuity or retired pay  
15 under any other civilian or military retirement system, bene-  
16 fits under title II of the Social Security Act, a pension, vet-  
17 erans' compensation, or any other periodic payment of a  
18 similar nature, when the monthly rate thereof is equal to or  
19 greater than the smallest primary insurance amount, includ-  
20 ing any cost-of-living increase added to that amount, author-  
21 ized to be paid from time to time under title II of the Social  
22 Security Act.”.

23 SEC. 205. Section 231 (a) of the Central Intelligence  
24 Agency Retirement Act of 1964 for Certain Employees as  
25 amended (78 Stat. 1043; U.S.C. 403 note), is amended by



1 adding at the end thereof the following: "Retirement for dis-  
2 ability or incapacity may be approved only if the application  
3 is submitted before the applicant is separated from the  
4 Agency or within one year thereafter. This time limitation  
5 may be waived by the Director for a participant or annuitant  
6 who at the date of separation from the Agency or within  
7 one year thereafter is mentally incompetent, if the application  
8 is filed with the Agency within one year from the date of  
9 restoration of the participant or annuitant to competency or  
10 the appointment of a fiduciary, whichever is earlier."

11 SEC. 206. Section 231 (b) of the Central Intelligence  
12 Agency Retirement Act of 1964 for Certain Employees, as  
13 amended (78 Stat. 1043; U.S.C. 403 note), is amended—

14 (a) by inserting the figure "(1)" immediately after  
15 the letter "(b)";

16 (b) by striking the words "six months" in the sixth  
17 sentence and substitute "one year"; and

18 (c) by adding at the end of the section a new para-  
19 graph (2) as follows:

20 "(2) If the annuitant receiving disability retirement  
21 annuity is restored to earning capacity, before becoming  
22 sixty years of age, payment of the annuity terminates on  
23 reemployment by the Government or one year after the end  
24 of the calendar year in which earning capacity is restored  
25 whichever is earlier. Earning capacity is restored if in each of

1 two succeeding calendar years the income of the annuitant  
2 from wages or self-employment or both equals at least 80  
3 per centum of the current rate of pay of the position occupied  
4 at the time of retirement.”.

5 SEC. 207. Section 231 (c) of the Central Intelligence  
6 Agency Retirement Act of 1964 for Certain Employees,  
7 as amended (78 Stat. 1043; 50 U.S.C. 403 note), is  
8 amended—

9 (a) by inserting the figure “(1)” immediately  
10 after the letter “(c)”;

11 (b) by inserting immediately after the words “If a  
12 recovered” the words: “or restored”;

13 (c) by inserting immediately after the words “shall  
14 be considered” the words: “except for service credit”;

15 (d) by inserting immediately after the words “as  
16 of the date” the words: “of termination of the disability  
17 annuity”;

18 (e) by striking the words: “he was retired for dis-  
19 ability”;

20 (f) by striking the period after the last word “pro-  
21 visions” and adding the words: “or he may be placed  
22 by the Director in an involuntary retired status if he  
23 qualifies under the provisions of section 235 (a). Retire-  
24 ment rights under this section shall be based on the pro-

1       visions of this Act in effect as of the date the disability  
2       was discontinued.”.

3               (g) by adding at the end of the section a new  
4       paragraph (2) :

5       “(2) If, based on a current medical examination, the  
6       Director determines that a recovered annuitant has, before  
7       reaching age sixty-two, again become totally disabled due  
8       to recurrence of the disability for which he was originally  
9       retired, his terminated disability annuity (same type and  
10      rate) is reinstated from the date of such medical examina-  
11      tion. If a restored-to-earning-capacity annuitant has not med-  
12      ically recovered from the disability for which retired and  
13      establishes to the Director's satisfaction that his income from  
14      wages and self-employment in any calendar year before  
15      reaching age sixty-two was less than 80 per centum of the  
16      pay rate attached to the position from which he retired, his  
17      terminated disability annuity (same type and rate) is rein-  
18      stated from the first of the next following year. If he has  
19      been allowed an involuntary or voluntary retirement an-  
20      nuity in the meantime, his reinstated disability annuity is  
21      substituted for it unless he elects to retain the former  
22      benefit.”.

23       SEC. 208. Section 232 (b) of the Central Intelligence  
24      Agency Retirement Act of 1964 for Certain Employees;

1 as amended (78 Stat. 1043; 50 U.S.C. 403 note), is  
2 amended—

3 (a) by striking “dependent” wherever it occurs;  
4 and

5 (b) by inserting a period after “section 221 (g)”  
6 and striking the remainder of the section.

7 SEC. 209. Section 241 (b) (1) of the Central Intelligence  
8 Agency Retirement Act of 1964 for Certain Employees, as  
9 amended (78 Stat. 1043; 50 U.S.C. 403 note), is amended  
10 to read as follows:

11 “(1) To the beneficiary or beneficiaries designated  
12 by such participant in a signed and witnessed writing  
13 received by the Agency before his death. For this pur-  
14 pose, a designation, change, or cancellation of beneficiary  
15 in a will or other document not so executed and filed  
16 shall have no force or effect;”.

17 SEC. 210. Section 251 of the Central Intelligence  
18 Agency Retirement Act of 1964 for Certain Employees, as  
19 amended (78 Stat. 1043; 50 U.S.C. 403 note), is amended—

20 (a) by striking “the Federal Employees’ Compensa-  
21 tion Act of September 7, 1916, as amended (5 U.S.C.  
22 751 et seq.)” and inserting in lieu thereof “chapter 81  
23 of title 5, United States Code, or any earlier statute on  
24 which such chapter is based”; and

25 (b) by adding at the end thereof the following new

1 sentence: "A participant or former participant who  
2 returns to Government duty after a period of separation  
3 shall have included in his period of service that part of  
4 the period of separation in which he was receiving bene-  
5 fits under chapter 81 of title 5, United States Code, or  
6 any earlier statute on which such chapter is based."

7 SEC. 211. Section 252 of the Central Intelligence  
8 Agency Retirement Act of 1964 for Certain Employees, as  
9 amended (78 Stat. 1043; 50 U.S.C. 403 note), is amended  
10 by striking the period at the end of paragraph (a) (2)  
11 thereof and adding the following: "or active and honorable  
12 service in the Regular or Reserve Corps of the Public Health  
13 Service after June 30, 1960, or as a commissioned officer  
14 of the National Oceanic and Atmospheric Administration  
15 after June 30, 1961."

16 SEC. 212. The Central Intelligence Agency Retirement  
17 Act of 1964 for Certain Employees, as amended (78 Stat.  
18 1043; 50 U.S.C. 403 note), is amended by adding in "PART  
19 G—MONEYS" thereof the following new section 264:

20 "RECOVERY OF PAYMENTS

21 "SEC. 264. Recovery of payments under this Act may  
22 not be made from an individual when in the judgment of the  
23 Director, the individual is without fault and recovery would  
24 be against equity and good conscience. Withholding or re-

1 tification or payment made by a former employee of the  
2 Central Intelligence Agency in the discharge of his official  
3 duties may be made if the Director certifies that the cer-  
4 tification or payment involved fraud on the part of the former  
5 employee.”.

6 SEC. 213. The Central Intelligence Agency Retirement  
7 Act of 1964 for Certain Employees, as amended (78 Stat.  
8 1043; 50 U.S.C. 403 note), is amended by adding at the  
9 end thereof the following new section:

10 “PART K—CONFORMITY WITH CIVIL SERVICE RETIRE-  
11 MENT SYSTEM

12 “AUTHORITY TO MAINTAIN EXISTING AREAS OF CONFORM-  
13 ITY BETWEEN CIVIL SERVICE AND CENTRAL INTELLI-  
14 GENCE AGENCY RETIREMENT AND DISABILITY SYSTEMS

15 “SEC. 292. (a) Whenever the President determines  
16 that it would be appropriate for the purpose of maintaining  
17 existing conformity between the Civil Service Retirement  
18 and Disability System and the Central Intelligence Agency  
19 Retirement and Disability System with respect to substan-  
20 tially identical provisions, he may, by Executive order, ex-  
21 tend to current or former participants in the Central Intelli-  
22 gence Agency Retirement and Disability System, or to their  
23 survivors, a provision of law enacted after January 1, 1975,  
24 which:

25 “(1) amends subchapter III, chapter 83, title 5,

1 United States Code, and is applicable to civil service  
2 employees generally, or

3 “(2) otherwise affects current or former participants  
4 in the Civil Service Retirement and Disability System,  
5 or their survivors.

6 Any such order shall extend such provision of law so that it  
7 applies in like manner with respect to such Central Intel-  
8 ligence Agency Retirement and Disability System par-  
9 ticipants, former participants, or survivors. Any such order  
10 shall have the force and effect of law and may be given retro-  
11 active effect to a date not earlier than the effective date of the  
12 corresponding provision of law applicable to employees  
13 under the Civil Service Retirement System.

14 “(b) Any provisions of an Executive order issued pur-  
15 suant to this section shall modify, supersede, or render in-  
16 applicable, as the case may be, to the extent inconsistent  
17 therewith—

18 “(1) all provisions of law enacted prior to the  
19 effective date of the provision of such Executive order,  
20 and

21 “(2) any prior provision of an Executive order  
22 issued under authority of this section.”.

23 SEC. 214. (a) An annuity payable from the Central  
24 Intelligence Agency Retirement and Disability Fund to an

1 annuitant which is based on a separation occurring prior to  
2 October 20, 1969, is increased by \$240 per annum.

3 (b) In lieu of any increase based on an increase under  
4 subsection (a) of this section, an annuity payable from the  
5 Central Intelligence Agency Retirement and Disability Fund  
6 to the surviving spouse of an annuitant, which is based on a  
7 separation occurring prior to October 20, 1969, shall be  
8 increased by \$132 per annum.

9 (c) The monthly rate of an annuity resulting from an  
10 increase under this section shall be considered as the monthly  
11 rate of annuity payable under section 221 (a) of the Central  
12 Intelligence Agency Retirement Act of 1964 for Certain  
13 Employees, as amended (78 Stat. 1043; 50 U.S.C. 403  
14 note) for purposes of computing the minimum annuity under  
15 new section 221 (l) of the Act, as added by section 204 of  
16 this Act.

17 SEC. 215. (a) This Act shall become effective October 1,  
18 1976.

19 (b) The amendments made by sections 201 (a), (b),  
20 (c), and (d), 202, and 208 shall not apply in the case of  
21 participants who died before January 8, 1971. The amend-  
22 ments made by section 201 (c) shall not apply in the case of  
23 participants who died before April 9, 1974. The rights of  
24 such persons and their survivors shall continue in the same



1 manner and to the same extent as if such amendments had  
2 not been enacted.

3 (c) The amendment made by section 203 shall apply to  
4 a participant who married prior to enactment but only if the  
5 election is made within one year after enactment.

6 (d) The amendment made by section 210 is effective  
7 only with respect to annuity accruing for full months begin-  
8 ning after January 8, 1971; but any part of a period of sep-  
9 aration referred to in such amendment in which the partici-  
10 pant or former participant was receiving benefits under chap-  
11 ter 81 of title 5, United States Code, or any earlier statute on  
12 which such chapter is based shall be counted whether the  
13 person returns to duty before, on, or after January 8, 1971.  
14 With respect to any person retired before such date of en-  
15 actment, any such part of a period of separation shall be  
16 counted only upon application of the retired person.

17 (e) The amendment in section 211 to credit certain  
18 service in the Public Health Service is effective as of April 8,  
19 1960, and the amendment to credit certain service in the  
20 National Oceanic and Atmospheric Administration is effec-  
21 tive as of September 14, 1961.

22 (f) The amendment in section 212 is effective as of  
23 June 30, 1974.

24 (g) The amendment to recompute a reduced annuity

1 during periods when not married in section 202 shall apply  
2 to annuities which commence before, on, or after the date of  
3 enactment of this Act, but no increase in annuity shall be  
4 paid for any period prior to November 1, 1974.

5 (h) Annuity increases under sections 204 and 214 shall  
6 apply to annuities which commence before, on, or after the  
7 date of enactment of this Act, but no increase in annuity  
8 shall be paid for any period prior to August 1, 1974, or the  
9 date on which the annuity commences, whichever is later.